

WASHINGTON POST AND
TIMES HERALD

APR 15 1964

Defense Dept. Hit on Job Consultant

A House subcommittee chairman strongly criticized the Defense Department yesterday for hiring Potomac Institute, Inc., as a consultant on implementing the agency's equal employment opportunity program.

"This is the most flagrant abuse of Government contracting that has come to my attention during my period of service on the Manpower Utilizations subcommittee," said Chairman David N. Henderson (D-N.C.).

"It is not unreasonable to assume that this contractor was hand-picked to justify preferential treatment for minority groups," he said.

Henderson aired his displeasure in a letter accompanying a report on the contract investigation issued by the Post Office and Civil Service Committee.

The report itself was a mildly-worded account of the investigation, reflecting the fact that not all Subcommittee members shared Henderson's conclusion.

One member, Rep. Morris K. Udall (D-Ariz.), said he would have filed a dissent if the Subcommittee had approved a stronger report.

"I was one of those who felt there were a great number of charges made that were not substantiated," he said.

Potomac Institute, a non-profit corporation with offices at 1501 18th st. nw., has been given three contracts totaling \$122,000 since 1961 to produce recommendations on enforcing equal employment policies.

During hearings last November, some subcommittee members criticized Defense officials for hiring a newly-established, inexperienced organization with an "overt policy of sponsoring movements in support of employee programs for minority groups."

Defense officials insisted, however, that the Department got its money's worth. They said they wanted the study done by a firm sympathetic to the equal opportunities program.